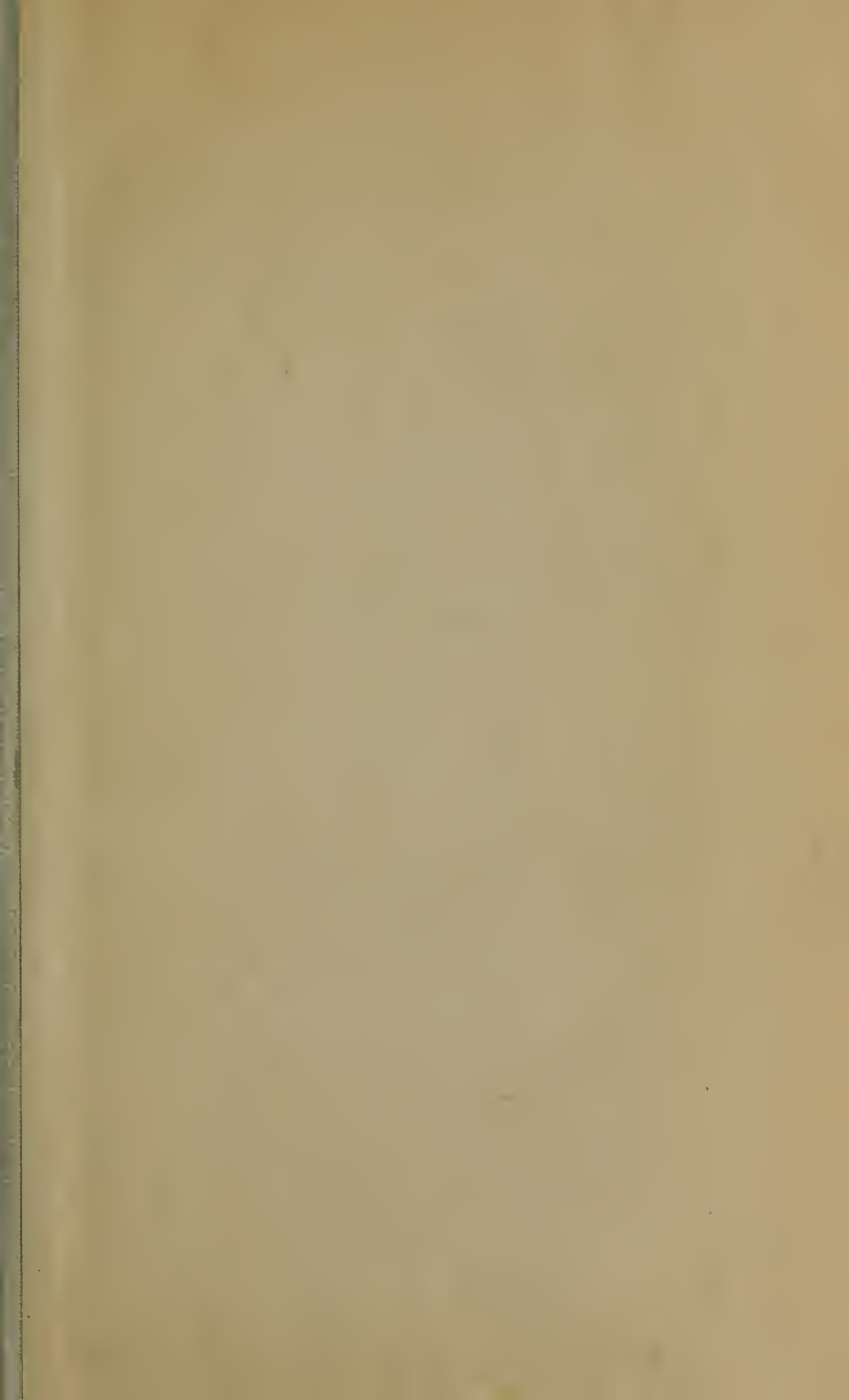


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IMPORTANT NOTICES

OF

THAT WHICH CONCERNS

THE

PECUNIARY CREDIT

OF

A STATE,

AND IN PARTICULAR THAT

OF

England.

BY RICHARD MOORE, Esq.

PRO REGE, PRO PATRIA.

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THE HISTORY OF THE

REIGN OF
HENRY THE SEVENTH

BY
JAMES HALLAM

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1798

IN TWO VOLUMES

VOL. I.

1798

OBSERVATIONS.

THE following pages are a summary view and compression of what the writer has already said on the same vital subject, with such important and new matter, as appeared to him most likely to draw the Reader's attention to it, and to the necessity there is, with our immense amounts of Paper Money, for the earliest institution of a Mint, Paper, Standard of Value, together with the ground work of an act of Parliament, for establishing the same.

Capital in Gross, embraces all the commodities produced in the world, and including that of gold.

Capital in Fractions, is the first capital, coined into money, and if of a gold material, from its portability, the capital in gross is carried in our pockets; but if wanted to a greater amount than there is gold bullion to be commanded, as the material for our money,—paper money, representative only of capital in gross, not portable, is obliged to be substituted.

Privileged Capital in Gross, as here advocated for general use, is such, as is proposed to be deposited with the Crown—the owners still receiving its interest during their solvency—and like the capital in gross of the Bank of England, at present, it would purchase gold, by its representation on Imperial, Paper, Standard, Mint *coins*, proposed to be allowed the use of, in consequence of the deposit made, and in fee simple, whilst a private staple note, as that of

the Bank of England, can effect no more than a temporary possession of the commodity

A Coining Banker, is one who issues his own private *staple* notes, as money, and on depositing security, as proposed, who would issue that of the State also, after the institution of an Imperial, Paper, Standard Mint *coin*;—and the question discussed in the following pages is, whether by the institution of this paper Standard, and general law—all Bankers possessing capital in gross to deposit*, should or should not be, allowed to have it privileged in the same way—and whether all parts of His Majesty's subjects, should or should not, be accommodated with the same direct supply of the use of money, in their own Districts, through their Coining Bankers being allowed the possession of Standard 20s. Coins, as between 1797 and 1819, with the Staple Paper 20s. Notes;—or whether the capital in gross of the Bank of England, should or should not, remain and be the only capital in gross, so privileged to get coined and originate standard money;—and whether this *direct* advantage of being supplied with the use of money, should or should not continue and be confined to that part of His Majesty's subjects, who are within the vortex of this Bank's supply; and all other Districts and parts of the King's subjects be kept stinted and confined, to such collateral supplies of standard money alone, as the Bank of England's varying trading interests can afford them?

* Of Mint assay value and quality.

IMPORTANT NOTICES,

§c.

CHAPTER THE FIRST.

THE pecuniary national credit of this Country, as with all other States, besides that of a faithful attention, by her ministers, to the public accounts of money, is derived from every source connected with the due administration and exercise, of the laws and the imperial functions and prerogatives—the subjects' property—but placed in the power of their parent, the State, as her high office to administer and distribute the advantages belonging to them, in equal portions to all;—to prevent the collision and contest of the people for superiority, the one over the other;—and it is necessary that this national credit, and the exercise and administration of these imperial laws, state functions and prerogatives, should be kept from infringement, alike by the law's omission, as by its unintentional delegation, and as well for the sake of the subjects' liberty and prosperity, as it is necessary for that of the preservation of the State's authority and power; and most peculiarly so, as to all prerogatives that relate to the foundation of that power; such as the mode of organizing the State's standard money; the

finances of every country are alike built upon,—the commodity that the finances are accounted for in,—and that upon the legal and national supply of which, the State's revenue, and her subjects' means of paying it so wholly depends.

One of the oldest prerogatives and functions of every State, and jealously assumed by most, as in fact it is of primitive importance and priority to all others, has invariably been that of coining State money, and ordaining a national standard of value and measure for the coin of the Realm. The *temerity* of committing this *trust* to the agency of others than the State*, as concerns the amount of money to be made use of, being entirely of modern origin, and as often as the bullion gold or silver from *mines*, or other sources belonging to the State, became insufficient in value and quantity, for the coinage wanted the use of, for the prosperity of herself and her subjects, the latter have invariably been allowed for their convenience and accommodation, in this Country, without any reference to locality, but from all parts of the State's territories

* It was not meant to be so entrusted by the Act establishing the Bank of England in 1694, for its paper notes were obligated to be payable in standard money; and when the inconvenience arrived from its having had that effect, the Bank no longer having gold standard money to pay their notes with, and there being no co-current paper standard money in 1797, it was immediately remedied by the general law of 1798, that charged the State once more with originating and organizing our money.

alike, so often as they had realized any capital in gross, in the shape of bullion *, if they so chose, to take it to the State's Mint, and have it coined into money, at the State's expence †.

To have the bullion capital in gross, coined into capital in fractions — money ; — and by such a *general* law and practice, for the organization of our money, was our own coinage regulated, up to 1694 ; nor was this *general* quality of the law and practice, immediately affected by the establishment of the Bank of England at that period ; allowing the addition, for the first time in this Country, of paper money, to be issued and added to the then existing amounts of bullion money, or before probably, that the then existing amounts of gold bullion money had been exported, *reimported*, coined, and recoinced, many times. — Nor until the time arrived, when it had become a greater convenience and more profitable to the merchant importers of gold and silver, to take the bullion to the readier market of the Bank of England, as is at present the custom, for its immediate convertability into money, than to wait the slower progress of its coinage at the Mint ; and, in this gradual way, but

* And so long as a bullion material only, was found necessary to be made use of for our money.

† The inference seems conclusive, that with the necessity of making use of a paper material, in addition to the gold material for our money, that there should have been instituted a paper standard of value also.

owing only to the circumstance and *omission*, that with the addition of auxiliary paper money, made in 1694, it was omitted to institute at the same time an auxiliary mint paper note coin, standard measure of value. But the omission occasioned that which had operated as a general and equal law, up to 1694, to become afterwards, in practice, an isolated and inadequate statute, producing, as the calls of industry for the use of more and more money arose, the State's and her subjects' subserviency to a commercial Company; — which had not simply granted to its proprietors, as to their fellow-subjects, the law's permission to trade with the State's money; but the advantage, by the *omission*, of the exercise of the State's credit, in this respect, assigned over, as her people's prosperity, to an absolute dependence on this Company, for organizing all the nation's standard money. Their notes being made payable in the very same money, the State had made herself dependent on them to originate, through the medium and confined to the produce of their particular capital in gross alone, according as it was, and still remains, the interest in amount alone, of the Bank of England Proprietors to issue for circulation!

For although the national stamp is put upon the gold sovereign, the bullion material, whether in coin or ingots, appears or disappears according to the continental market price, and the Bank of England's dealings in the commodity; and there being

no standard paper money instituted, wherewith the rest of the public in the country might be supplied, and their coining issuers of money buy the article, in the same way that the Bank of England purchase it. Under the present confined system and monopoly, we are returned to, it is this Company's trade only, through which the gold sovereigns are to be commanded. Its trade that controls the permanency or the non-existence of our standard money, and not the possession of the amounts of national money, as with other traders, that controls their business, to the great loss of the State's credit, and occasioning the deficiencies in her revenue;—reducing and influencing the profits, even of this Bank's proprietors, as well as affecting the prosperity of the rest of their fellow subjects.

The evils of which, that were to arise afterwards and exist so disastrously and with such deathlike effects at present, were kept out of sight for a long time, and still remain too much unheeded, by the fallacy, that the notes were and are all promised to be paid in standard gold coin, which indeed is a check to the quantity of its notes, showing what it is safe for this Bank's business to issue, but it very frequently operates as a most injurious one to the rest of the community; as the amounts of standard money wanted the use of, are not regulated by the State's and her subjects' necessities, for raising the taxes and supporting their industry and welfare; but as these demands for the use of money are cir-

cumscribed and controlled, by this Bank's interests in its dealings in the gold bullion material; and the State's Mint, that was instituted for the use and prosperity of herself and the whole public, being thus kept at work only, at the command of that small portion of the people, who are Directors of this commercial Company, to the infinite discredit and loss of authority by the State, as of prosperity to her subjects.

The State never adverting to the circumstance, that as the gold bullion coined into Mint standard money, was and is all purchased with this Bank's private notes, Herself being now no party to the transaction, the failure of its machinery to produce the gold material must, from the monopoly at present allowed to it alone*, in obtaining the article free of expence, and in the absence of an auxiliary co-existent paper standard of measure and value, and a co-current Mint paper coin, with our gold standard coins, to do the same thing for other issuing banks, absolutely put an end to the existence of any national standard for our money, so often as the gold material becomes higher than our standard price. Under the present dependence we have subjected ourselves to, it would be in vain that the State should insist, whether the price of the article was high, or low that the Bank of England must find it, the extremity would produce its bankruptcy;

* Not by the law's sanction, but by its silence.

and its insolvency under our present circumstances, without a mint paper coin, would leave the country without money,—that there is no alternative now, when the price of gold is above our standard, but the immediate passing of a suspension statute.

The State, however, with all these inconveniences, had made herself quite equal to fulfil all the pecuniary engagements she had entered into under this system and partial law, and mode of organizing our standard money, up to its failure in 1797, and before more extensive pecuniary engagements were incurred under a new and more impartial law ; but the important inconvenience, the mode of 1694 was liable to, without an auxiliary paper coin standard of value was actually lost sight of, until it unexpectedly took place, and produced the statute and a *general* law once more, in practice as well as in theory, for the organizing of our money, that of 1798 ; but with it unfortunately, for want of this auxiliary paper coin standard of value, with the large additional amounts of paper money it allowed of, it was latterly accompanied by the inconvenience of coining bankers possessing no capital in gross to support their business, being set up ; and it occasioned from this omission, whilst the law lasted, a total disuse of the national Mint ; although in other respects, the State's high credit fully supported the utility of the new statute.

This law was the beginning of coining banks originating paper 20s. notes, without the possession

of which, or gold sovereigns, the larger paper notes cannot be circulated, being established in every country locality, which were not only called for by the people's industry, but by the State's necessities ; for the preservation of her credit, and for the necessary increase of her revenues, in the country localities, as well as in that of London, whose coining Bank for producing the 20s. notes, during a period of almost 26 years, was no longer, during that time, exclusively endowed with the privilege of originating and finding them ; every country coining bank, for that long and important period, being placed upon the exact same footing in this respect, as the coining Bank of England in London, through the means of establishing in England, one general universal law for the whole community.

Although with it the country coining banks, as well as that of London, wanted from 1797, as before from 1694, what it so much concerns the State's credit, and her subjects and her own prosperity to adopt, the institution of the auxiliary mint paper coin, and auxiliary paper standard of value, here advocated ; still the system of a *general* law for organizing our money, unaccompanied as it was by this necessary safeguard, from its renewal in 1798 to its first abolition in 1819, enabled the State most fully to provide for all our immense pecuniary engagements, incurred under its beneficial effects. As its alteration and return to the individual and isolated law of 1694, without reference to the con-

nexion there is and always must be, between the mode of the State's organizing and originating her standard money, and the pecuniary engagements incurred under it, in her ability to discharge them, has from the great loss of public revenue, the immediate effects of the two experiments of 1819 and 1826, shewed itself to have been the occasion, of all the public and private pecuniary distresses and loss of property, we at present labour under ; for these inconveniences subsided during the short interval between these dates, when we returned again to the general law, and have been immediately renewed and continue still, since resuming the obsolete law and practice of 1694, once more, in 1826.

The statesman, therefore, who attempts the improvement, or alteration of his country's finances, under the existence of a return to an isolated, partial, unnatural, and unequitable law ; for the organization of our money, and different from that under which our pecuniary engagements have been incurred, attended as it is, with the obligation of making use of larger amounts of paper money than ever ; but without the leading star and help of an auxiliary paper coin standard of value, to guide his calculations ; must do so at the same risks, and be subject to the same disappointments, as the mariner who proceeds to sea, and expects to navigate his ship as well without, as with a compass : or, as an architect, who should attempt the embellishment of the superstructure, and to add story to story to an

edifice, before he had secured the foundation of his building.

Such certainly, from our experience of their conduct when in power, would not have been attempted by either of those great leaders of their parties, Mr. Pitt and Mr. Fox, the first after the failure of the mode and law of 1694, in 1797, at once saw its inapplicability to the exigencies of the times, and established the general law of 1798 in spite of all opposition. Mr. Pitt, therefore, with the increased pecuniary obligations that had been afterwards entered into, before the peace was concluded in 1815, would never have lent himself to return to the confined and isolated law of 1694, for discharging pecuniary obligations, that had been incurred under the general law of 1798.

The same may be argued of Mr. Fox, for although he was opposed to the measure of 1798, when it was brought forward—when in power afterwards, he carried on the whole of his beneficial administration, under the auspices and good effects of the general law established by his rival; and would not with his master mind, contrary to his practical experience, of the good effects of that which had become necessary, have ever thought of returning to an isolated statute, for finding the use of money to discharge pecuniary engagements, that were unbounded in extent, and had been incurred under a general law, that was therefore and is alone adapted to effect the purpose.

Neither could the master minds of those two great statesmen, either one, or the other, have been foiled like their unfortunate successors of both parties—unfortunate, because they both alike, the one in urging the necessity, the other in adopting the insufficient remedy of 1819, and both parties acting under the delusion of a depreciation of the State's money, that never existed ;—committed an error, that has occasioned the loss of more stupendous amounts of public and private wealth, than the errors of any former statesmen, ever before gave rise to ; which experienced as they were, could not have overwhelmed their great leaders,—how to act, as to the safe and proper mode of returning to a gold material for our 20s. pieces, when the time arrived after the peace of 1815, that it concerned the State's credit so much, as her subjects' interests to do so ; in order to command the continued respect of other nations, as for our own welfare ; and to shew them, that we were as able to support, and as deserving by our just way of acting, of the high eminence and prosperity Providence had raised us to, as we had mercifully been made equal to attain it.

The law of the era of 1694, and the *omission* that had occasioned what was then a general, gradually to become, and long before 1797, an isolated and individual law and mode, for obtaining the use of our gold standard money, at which latter period it failed altogether ; and, most important to remark, whilst the market price of the material was no

higher than our standard value for the gold ; shewed that to have prevented this failure at that period,—that with the addition of auxiliary paper money, for the first time made in 1694, there should have been instituted at the same time also, an auxiliary co-current and co-valuable, State standard mint paper coin, that would have continued the advantage of the general law, and at all times have afforded state standard money to have bought the gold, when it was at our standard price, which had it existed, the Bank of England's failure of 1797, could not have taken place.

The past era also of 1798, when a general law for the organization of our money was again established, its universal beneficial effects, notwithstanding some inconveniences occasioned by the *omission* a second time, of instituting an auxiliary mint paper standard coin, with the auxiliary paper money that was to be made use of, which produced the loss of the use of gold standard money, whilst the material still remained at or below our standard price, between 1798 and 1806* ; and allowed also of the opportunity of coining bankers establishing themselves, without the possession of any capital in gross, to support their issues of paper money ; shewing us, that both these additional inconveniences proceeded alone from the second *omission* in 1798,

* The price of gold bullion did not begin to rise above our standard value till 1806.

and that if there had been instituted then, an auxiliary standard paper coin, from that period to 1806 the gold material could have been purchased, and made use of as 20 or 21 shilling coins; and that no trader could have established himself and issued paper, any more than gold money, without possessing capital in gross to some certain amount, to support it, and to deposit for the use of the standard mint money, gold or paper, or both, according to the price of the material, and the convenience of the State and her subjects.

The conclusion of the peace of 1815, when the market price of the gold had again returned to our standard price, was strict evidence also, that it was our own faults, that we could not devise a general law, that would combine the exercise of the State's credit and authority by herself, for obtaining the use of gold sovereigns for her subjects, in the same way, in the country localities, where her credit, by the action of a single statute, had so long, from 1798 to 1819, and so universally supplied her subjects with the use of paper 20s. notes; and a very little reflection will teach us, that the institution of a co-valuable, and an auxiliary co-current paper mint coin, with our gold standard money, would effect our purpose, and is without complication or addition, the general law wanted.

For the institution must of course be attended, with a minimum deposit of capital in gross, with the Crown, for the use of the paper mint coins, and

to make the representative standard paper money, of equal value with standard gold money—allowing to such permanent depositors of capital in gross, the advantage during solvency, of a proportion of such capital, to be returned to them in mint standard paper or gold coins, that their customers again, might command through them, on their temporary deposits of capital in gross, with such coining banks, the use of money.

The shop of a coining banker therefore, after this institution, would not get up in any locality where there was no business to transact; but where there was, it would be found, as with other trades, and as during the interval between 1797 and 1815, with the coining banks for originating paper 20s. notes, that enabled them to issue their larger paper notes, wanted by their respective parts of the public, dependent on each bank to supply, to the advantage of the state in collecting her local taxes, as for the necessities of the local part of the public, and after the country proprietors were so put upon the same respectable footing, as those of the Bank of England, wherever the local part of the public wanted the legal use of more money; more capital in gross, as a matter of course, would be subscribed and deposited with the Crown, for its and the State's accommodation;—nothing, therefore, could concern and elevate the State's credit more, than the immediate adopting and instituting, this auxiliary standard paper coin.

But both Whigs and Tories, administration and opposition, after the peace of 1815, joined in acting under the delusion of a depreciation of the State's money, that never existed ; and adopting the insufficient act of 1819, returned to the obsolete and ineffectual law and mode of 1694, for organizing and originating the State's gold standard money, in 1819.

The circumstances that gave rise to the idea and malaria of depreciation were, whether interested or not, the sophistries of the modern political economists, deducing false conclusions, from the simple facts, of the rise in price of the material of the State's standard coin,—and that of the paper notes of a commercial house, the Bank of England, not fetching more on the Continent, very often, during the war, than from 50 to 75 per cent. of their representative value at home, at the same time that when any English guineas, were to be met with, they would fetch, instead of 21, perhaps 27 and 28 shillings, and they argued from these premises, that the States' standard money was depreciated.

Not taking into consideration, that the higher price given for the guineas on the Continent, that never represented more than twenty-one shillings at home, was the direct opposite evidence, to that of any depreciation of the State's money ; and that the State's credit, was as unaffected by the depreciation of the *wares* of the Bank of England, out of her own territories, and out of her own guarantee, as she could possibly be by the falling in value of

the *commodities*, of any other mercantile body of her subjects ; besides, there was the notoriety of the Bank of England's, all but insolvency in 1797, that must have made foreigners on the Continent, during the war, very suspicious, of the real value of its notes.

Had this depreciation extended, to an auxiliary co-valuable and co-current state standard paper coin, but which the notoriety of the deposit proposed, as security, would have upheld, and to the amount of 25 or 50 per cent. spoken of ; it would have been good evidence, of the continental opinion of the State's loss of credit, as it was, the State's guarantee of 1798 was fully supported, where only her law could have effect, at home, by the temporary substitute always fetching the 20 shillings, her standard gold money, had it been at home, was made to represent, and the State's money therefore was never depreciated.

The error that was made and has been continued from 1694 to the present time, has been, that with the obligation of making use of auxiliary paper representative money, in addition to that of gold money, our statesmen have lost sight of the necessity, of instituting at the same time, an auxiliary mint standard paper coin, which *omission* has been shewn :

First, to have gradually turned the *general*, into an *isolated* and individual law, throwing the State and her subjects, whose interests can only be identified together, by one universal practical law, as

before 1819, *into* an entire dependence again, on four-and-twenty Directors of a commercial house, for the use of all, or nearly all our state standard money.

Secondly, that at the era of 1797, the *omission* occasioned the inability of that commercial body itself, in providing the use of any standard money, notwithstanding the notoriety of the large capital in gross its proprietors possessed, and the low price of the material gold.

Thirdly, between that period and 1806 the *omission* occasioned, the unnecessary loss to the public, of the use of gold money altogether *.

Fourthly, in the latter end of the twenty-six years of the circulation, of nothing but the staple paper money of private bankers, before 1819, the *omission* gave the opportunity for coining bankers, without possessing any capital in gross, to establish themselves and issue their valueless money.

Fifthly, on returning to the *isolated* law of 1694 again in 1819, and again in 1826 †, the *omission* has interfered even with the profits of this Bank's Proprietors, by curtailing their dealings in gold bullion in an unnecessary way ; and,

Sixthly, to speak of none but financial matters, the *omission* has produced all those weighty, pecu-

* Between 1797 and 1806 gold was at or below our standard value, and therefore could have been purchased for our gold coins, if there had then existed any mint paper standard money, to buy it with.

† Between 1822 and 1826 a general law prevailed.

niary difficulties and defalcations before noticed, of the State and her subjects; and has broke a link of that important *chain*, that before bound their pecuniary, as their other interests together.

Establishing, the necessity without loss of time, for instituting this auxiliary co-valuable and co-current mint paper standard coin, with the State's standard gold money, but with the consoling prospect before given, that such institution would put an end, to the pecuniary and unnatural distresses, of both the State and her people; and by a return to the just mode of one *general* universal law, for organizing state standard money, for the use of all her subjects alike, would produce the means, for the restoration of that credit, lost sight of so improvidently, and of uniting the interests of the State and her subjects again, more closely than ever.

CHAPTER THE SECOND.

THE preceding chapter, it is to be hoped, has impressed the reader, as the writer, with the necessity of returning to one *general universal* law, for originating our State standard money ; which it has become of so much importance to her credit and authority, that the State should resume the exercise of her Prerogative, and State function in organizing ; and that as we are obliged to make use of such vast additions of paper money, representative of capital in gross, that is not portable, as money, as well as gold bullion capital in gross money, that is portable, carrying the capital in gross, it is formed of, in our pockets.

It is humbly hoped, that the reader must see the serious demand there is, for instituting, a co-valuable state paper standard — auxiliary to the gold standard ; that the paper money we cannot do without, may have a similar measure of value to the gold money, in order that it may become the same check, to the issue of bad paper money, that the other standard is, to the issue of bad gold money.

That the amounts of standard representative paper money, may be regulated by the possession

and deposit alone, of the particular capital in gross of a 3 per cent. stock, which it is proposed should be deemed of standard assay quality and value, at the Mint, and be entitled to the certain amount, of three fourths of the minimum capital in gross, at a par price, of £10,000 of such 3 per cent. stock, to be deposited with the Crown at the Mint, or to the use of £4500 sterling* worth of standard money, and to be kept during the coining banking depositor's solvency, together with permission to receive the interest of such capital in gross, the same as before deposited, at all times before bankruptcy, and as at the withdrawal of the deposit.

The depositors of the minimum capital in gross, to be at liberty ever afterwards, before forfeiture or withdrawal, to increase their deposits by sums of not less than £1000 3 per cent. stock at each time, and to receive the same additional advantages and use in amount, of paper standard mint coins or gold money, to be given them by the officers of the Mint, after every such new deposit, until its forfeiture by insolvency, or its being withdrawn.

In the same way that the merchant, has the gold coins returned to him, after his deposit of capital in gross, in gold ingots, that are of the standard quality and purity—the only difference being, that the capital in gross, that is not portable, must be retained as security, for the representative paper money—as its

* Viz. Paper or gold standard money.

standard value, like the gold money, can in no other way, be made conveniently portable.

Thus privileging all the capital in gross, originated by the labour of preceding, as of the present generation of the State's subjects, if turned into that particular capital in gross, proposed to be deemed of assay quality and value at the Mint* ; to become by representation, according to the natural and legal expanding and contracting calls for it—Standard money—as well as the gold bullion capital in gross, of like origin and assay quality and value, and instead only, of the small part and particular sixteen millions of capital in gross, that belongs to the Bank of England, being *exclusively*, allowed to be so turned into standard money.

Endowing again by a general law, as before 1694, and before 1819, and before 1826, the whole of the State's subjects, with the choice and ability of commanding the use of money, when they possessed capital in gross, that was duly qualified, by being of assay value and of sufficient amount, to be taken to the Mint, and placed there in permanent, or put in temporary deposit, with some neighbouring banking issuers of money, who had taken advantage of this Mint privilege, as trading coining bankers, that their neighbours might command the use of money through them ; instead of confining

* Regulating every other species of capital in gross, by a similar rule, to that which takes place at the Mint, with the gold capital in gross, and bringing them all to a similar assay value.

this necessary and vital privilege and advantage, to the prosperity of the State and all her subjects alike; to the Proprietors of one commercial house, consigning the welfare of State and people, to a dependence for the use of standard money, on the management of its 24 Directors.

Which dependence, although *collaterally* and by *retail*, it may still remain of some utility to every remote district, is by the *direct* and wholesale amounts of the use of money, now required, for levying the district taxes, as for the employment of each district part of the State's subjects—the means of supplying the home population alone, with the use of money—shewing by nearly a 26 years' * experience, that a general and universal law for finding the use of money, and in particular for originating the 20s. coins †, no matter whether they are to be formed of a gold, or of a paper material; liberating and privileging the whole or any part of our great capital in gross, during that period, as applicable to be made security, for the value of the money issued, and allowing of it, to become of an expanding and contracting quality, according as it was wanted, for finding the use of money; but always meaning to lop off in these proposals of improvement, the ex-

* From 1797 to 1826 the interval between 1819 and 1822 excepted.

† The distinction here taken between paper coins, and paper notes is, that the mint stamp makes the coin,—and that all other paper money, can be no more than paper notes.

crescence and nauseous superfluity of bad money, the laxity of the law of 1798, as that of 1694, without a mint paper standard, had latterly induced coining bankers without possessing capital in gross, and allowed of the opportunity for them, to issue and circulate.

Shewing us that a return to a dependance, upon the local sixteen millions of capital in gross only, belonging to the Bank of England Proprietors, can never supply the State's subjects in all the country localities, with the amount of gold sovereigns, standard money, or mint paper 20s. coins, standard money, when the gold material is above our standard price, that have become necessary; and teaching us the injustice and bad policy, of placing fifteen millions of people in dependance, upon the apparent interests of a few hundreds of Proprietors, of a commercial company, and on the superintendence of their Directors; instead of being protected by their Parent the State, according to their own merits and qualifications, as these Proprietors and Directors their fellow-subjects are protected; and shewing us that under such a confined system, whatever trifling quarterly improvements in our public revenue, may sometimes appear, no permanent increase of prosperity can arise to the State, or to her subjects, whose interests are all thus lowered, unintentionally no doubt, but the evil is, they are lowered, to meet the interests of a joint stock company, giving the exercise of imperial power in originating our gold,

and at present our only standard money, to its twenty-four Directors.

The capital in gross, that appears most eligible to be deemed of assay quality and value at the Mint, for the owners to be entitled to receive, on their deposits of minimum securities; as afterwards by any increase of such deposits, of not less than £1000 3 per cent, stock at any time, for the advantage and use of standard money, paper, or gold; that they might buy with the first, the gold material for their 20s. coins, in the same way that the Bank of England proprietors at present buy it, with their private staple notes, gratis, or be given the latter, gold sovereigns, on leaving the amounts of them in standard paper money behind, and to the extent limited on their deposits,—is the particular stock of 3 per cent. annuities, as they embrace the largest amount of capital in gross, amongst all the public securities, and therefore they facilitate the most, the command of the amount wanted, from 20 to 30 millions of such stock—but in retail quantities, for the coining banks in the country districts and localities.

It is moreover qualified by the security of all the real, and of all the personal property belonging to the whole realm, that is mortgaged both for the payment of its interest and principal; and its duration before its capital can be paid off, is beyond the *imagination* to foresee; but even if that could take place to-morrow, the State would always have it in

her power, to retain the particular parts and amounts of this stock, that were deposited with the Crown, if the owners saw no objection, or to create more such stock, if necessary, for the purpose of commanding standard money,—against its utility therefore, as a deposit, there can be no objection.

It has also the requisite quality, of a par price, to assimilate the paper and the gold standard to become of the same value; which no other capital in gross to the same extent, upon examination, will be found to possess, as regulated by the State's legal interest of 5 per cent. on money, or £60 sterling for every £100 of such 3 per cent. stock. Moreover, in the case of any individual trader's insolvency, when the stock by any possibility might bear a market price, below the sum of £45 sterling to be allowed the use of, on the deposit of every £100 3 per cent. stock, a clause might be inserted in the statute, for creating this mint standard paper money, that on every such event, the State guaranteed to the public, the payment out of its revenues, of the difference between the market price, the insolvent's deposits might sell for, below the sum of £45 sterling on each £100 stock, allowed the use of by the Mint, in standard paper money, and that sum, which guarantee would make the security to the public perfect.

As it appears therefore from what has preceded, and from the practice of this Country since the foundation of the Bank of England in 1694, that

gold money, to the amount wanted the use of, for the prosperity of the State and her subjects, is only to be commanded, through the delegated exercise of Her credit and prerogative, the effect of *omission* and of a particular statute, to others, or its Parental exercise by herself, supplying that *omission*, by granting a standard measure of value, for the vast masses of our paper money, as well as continuing the gold standard of value and measure, for our gold money, making the two standards auxiliary, the one to the other, and making the paper standard co-valuable with the gold standard, and the paper mint money co-valuable with the gold mint money, through the easy mode of having a mint assay quality and value, for every species of capital in gross, when deposited, as well as for the particular species of capital in gross, in the shape of gold bullion ingots.

That the gold material for the 20s. coins, may always be purchased with such mint paper money, when at our standard price, by those who are granted the use of it, or otherways may possess it; and as it is in evidence that, when the Country was under a *general* law, for originating and organizing our money, without a paper standard of value, between 1798 and 1815, the *omission*, was the occasion of considerable amounts of valueless money getting into circulation, by enabling coining bankers without possessing any capital in gross, to support themselves in the trade, and putting an unnatural

value on all commodities, and even on money, by its depreciation, which great inconvenience must occur again, if not better provided for.

That also, since returning to the isolated mode for organizing and originating our gold 20s. coins, by a partial delegation, through the *omission* of the law, of the State's credit to a single commercial Company, for buying the material for the gold sovereigns, gratis, and for want also of a paper standard mint coin, which institution would have given the same privilege, to all coining banking traders, possessing the necessary amounts of capital in gross,—the country local districts have all been deprived, of the use of their former amounts of money, which besides being attended with the severest losses of country local prosperity to the inhabitants, it has occasioned such a diminished quantity of labour, each district is now able to employ, as has so largely affected the produce of the State's revenue.

As appears from the quarterly treasury accounts, and it has taken place only since the absence, of one wholesome *general* law for originating our money, that provided from 1797 to 1819, and that wanted nothing but the paper standard coin, either for the prevention of the circulation of bad paper money, or for the provision of gold sovereigns, in the place of paper 20s. notes, from the moment the gold bullion fell to our standard price, after the peace, according to the extent of the banking traders' capital in gross, for the supply of the country districts, as well as for

the supply of the London district with them, and shewing that nothing short of a general law, by the institution of a mint paper standard coin, can ensure the prosperity of all the districts, or that of the State in future.

For the *general* law produced us the ability to make all those large loans of money, that were necessary to carry on the late war, and to raise a revenue, not only equal to pay the interest of them, but affording a large surplus, as a sinking fund, to support the State's credit and reduce the debt.

The *isolated* law we are returned to, even in peace, has left us without a sinking fund, reduced the produce of the public revenue, below the States' necessities for money, and is gradually progressing us, to insolvency and ruin.

The *general* law conducted us to prosperity and to fame.

The *isolated* law has *founded* our prosperity, and disabled us from fulfilling our pecuniary engagements.

The *general* law of 1798, but occasioned alone by the *omission* of instituting with the paper 20s. notes, a mint paper coin standard of value* ;—allowed of the addition of bad money, to the amount perhaps of a fortieth part of the country circulation.

The *isolated* law of 1819 and 1826—from the

* Which institution would have produced 20s. paper coins, in the place of 20s. paper notes.

same *omission*, of instituting a mint paper coin standard of value—has diminished the command of the use of any money, in the country districts—700 or 800 districts in number—to the amount of three-fifths of the usual sum wanted, for its prosperity in each locality, or 23 fortieth parts, below the legal amount required, before 1819*.

The general law brought to our aid, the organization of an expanding and contracting quality in our money, according as the prosperity of the State and her subjects called for it, and it may be said to have been supported, by all the capital in gross of the Country; for its value and the amount wanted the use of, in each locality, was guaranteed to us by the State's statute of 1798, that called for its circulation, no matter what material in future the 20s. coins were to be formed of—just the same, as the State's statutes guarantees, the raising a revenue, large enough to pay the interest of the public annuities; for the taxes cannot be raised, without the money being first organized and distributed in those districts, that are to pay the imposts.—And the statutes, that mortgage the whole of the real and personal property of the Country, for the payment of the annuities, are as binding upon the State, to permit and be aiding† in the organizing, in a *legal*

* The country circulation before 1819 had been 27,000,000, by 1822 it was reduced below 12,000,000.

† By allowing the Mint to be made use of, in the way here pointed out.

and *moral* way, of a sufficient amount of money to raise those necessary taxes, as it is binding upon Her to pay the annuities, after the taxes are raised. And the contrary doctrine and practice, that has thrown the origin of our standard money, since 1819 and 1826, upon others, than the State, by their exercise of Her imperial prerogative and state function *, has produced the whole of our pecuniary distresses, but to proceed.

The isolated law, has thrown us into a dependence, upon the application of the particular 16 millions of capital in gross only, that belongs to the Bank of England Proprietors, for the organization of our standard money;—instead of qualifying the whole, or any other part of a capital in gross belonging to the Country, the accumulation of ages, that if it could be estimated, would be found to exceed 3000† millions in value, to be made applicable for the same purpose—and has *bound down* the pecuniary prosperity of the State and her people, reducing or increasing

* By being suffered to buy the gold material, gratis, with their private paper money, instead of the State's instituting a mint standard paper coin, to perform so important an operation, for herself.

† There are a variety of ways of estimating the gross value of the Estate of England—but the question here seems to be, how much above, or below 3000 millions, an Estate, that certainly before 1819, bore to be mortgaged to the amount of 800 millions,—to pay the interest of that debt,—to produce a sinking fund towards its discharge—and that still supported the Government and its subjects, in a state of the greatest prosperity—how much above or below 3000 millions, it can possibly be worth?

the natural value of all commodities, and the *means* of carrying on a *free* or a restricted trade, to *assimilate* itself, to those amounts of standard money only; that the commercial dealings and interests of a joint stock Company, is able to afford the use of to the State, and to its Proprietors fellow subjects.

Under the general law, the calculations of our statesmen, as to the productiveness of the revenue for expenditure, and its surplus for a sinking fund, approached always to correctness.

Under the isolated law, those calculations have been brought to nought,—take for example, the fate of the sinking fund, since 1819 and 1826, so necessary to the State's credit, and follow up the other objects of finance.

It is for these imperative reasons proposed, immediately to pass a statute, declaratory of the necessity, for instituting an imperial paper standard, auxiliary to our gold standard, and amongst other clauses, that it should contain the following :—

First, that the representation of this auxiliary standard, should be a mint paper coin, to be made co-valuable by the deposit of security with the Crown, during its circulation, and co-current with our gold money, by the State's law.

Secondly, that the particular capital in gross proposed to be deemed, and alone, of assay mint quality and value, to entitle the owners on their deposits, to the use of so many paper standard coins,

or gold sovereigns, should be a 3 per cent. stock, for the reasons before given at large*.

Thirdly, that during the solvency of the depositors, or until the stock's forfeiture, they should be permitted to receive the interest of it, the same as before deposited—to put all coining bankers on the same footing, in buying the gold material of the 20s. coins, a privilege, the *omission* of the law, in not before instituting a paper coin standard of value, has at present confined wholly, to the Proprietors of the one Bank of England in London.

Fourthly, that the proportion of mint standard paper, or gold standard money, to be allowed the depositors the use of, on their 3 per cent. stock, should be three-fourths of the par price per £100 of such stock, or £45 sterling.

Fifthly, that every coining banker, after a certain date, should be obliged to make the minimum deposit of £10,000 3 per cent. stock, before continuing, or commencing the business; and such traders alone, should be allowed afterwards, during their solvency, before forfeiture, or the withdrawal of such minimum securities, to increase their deposits at their pleasure, by sums of not less than £1000 3 per cent. stock each time, and to receive the same proportional advantages, as on their minimum securities, in order to provide for the increase of their business, according to the legitimate wants of each

* See pages 23—24.

local part of the State's subjects, and in this way to provide, for the whole of the great capital in gross of the Country, held in fee simple, being qualified to command the use of money, as well as the particular part of it, proposed to be deemed of mint assay quality and value; that the country coining bankers, where a shop was wanted, might always command the use of standard money, for their customers, through the Mint, and that the local population, possessing capital in gross, might do the same thing, through their own district coining bank.

Sixthly, for the better encouragement and more speedy subscription of the capital in gross wanted, in addition to the Proprietor's property in existing joint stock, or individual companies, consisting, or to be formed of more than 50* partners, it is proposed, that they should not personally be considered liable to their firms private creditors, beyond or for

* The number is put low, from the consideration that it is not, an aristocracy, if the expression may be used, but rather a democracy of coining Banks of England, that are everywhere wanted,—much less would it serve the public interests, that any more Leviathan coining banks, with Political power and Oligarchical influence—in originating our standard money—left to them—should be again permitted to arise, though nothing is meant by this opinion, to the disparagement of the very honorable Persons, who have from time to time, so ably filled the direction, of the present Bank of England, for its Proprietors, and who have only, conformed themselves, to the circumstances they were placed under, from the State's *omission*, and not from these Gentlemen's *usurpation*.

more, than the surplus difference between what their deposits may have sold for, at the market price on their insolvency, and their debt to the Crown of £45 sterling, on each £100 3 per cent. stock deposited.

Seventhly, that considering the great want of the use of money, throughout the country districts, arising most especially, for want of the coining bankers possessing the gold standard 20s. coins, to an amount corresponding with the demand for the use of money, and for the more speedy increase of the existing taxes, as so much more desirable, than the levying new ones, that it should farther be made legal, for every coining banker, for the space of one year, from the day of the date when their minimum securities were made obligatory, to be paid up and deposited at the Mint, that they should be allowed to issue their own staple 20s. coins, together with the gold sovereigns, or mint paper 20s. coins, allowed the use of, on their minimum deposits,—in order to give proper time, for the collection of a sufficient capital in gross to be deposited, before declaring, that none but standard 20s. coins, gold or paper, at the option of the Crown, and according to the market price of the material, should be circulated.

Eighthly, that the minimum and all other deposits of 3 per cent. stock, of assay qualified capital in gross, at the Mint, should be entered in the office books at the Bank, in the joint names, first, of the

owner or owners, and next of the Master of the Mint, the First Lord of the Treasury, the Lord High Chancellor, and the particular officer in Chancery whose business it is, to superintend the legal declaration of commissions of bankruptcies, in trust, that the owner or owners, or his or their agents, during solvency, should alone be entitled to receive the interest belonging to their deposits.

Ninthly, that the said 3 per cent. capital stock so proposed to be deposited in trust, should not be parted with out of the deposit in the said bank books, by any authority, short of that of the whole of the trustees and of the owner, or owners joint directions before insolvency, in the case of withdrawal, when on the giving up to the Mint, the amount of standard mint coins, before allowed the use of, to be cancelled, the owners should be entitled to receive back their deposits of 3 per cent. stock.

Tenthly, that it should be made compulsory on the said superintending officer in Chancery, of bankrupt commissions, corroborated by the Lord Chancellor's signature, or by some such process, immediately on the completion of a commission of bankruptcy, taken out against any depositor, to inform the Master of the Mint and the Treasury of the same, which information should be considered the authority, without loss of time, to proceed to sell the the said capital stock, for the best price that could be obtained—without the concurrence, or participa-

tion of the previous owner or owners; and after deducting all the expences attending the sale, or otherwise lawfully incurred, out of the produce, together with the full amount of the standard money, before allowed the use of to the bankrupt depositor; to pay the surplus difference, if any, over to the assignees of the said insolvent's estate; but if the difference should ever prove a deficiency, from the price of the 3 per cent. stock being below £45 sterling, for the £100 3 per cent. stock — in every such case, the State to be considered, as indebted to the public out of its revenues, to the full amount of such difference and deficiency, and to be made liable to all the expences attending the sale, of this part of the bankrupt's estate*.

Eleventhly, immediately after the sale and division of any bankrupt depositor's 3 per cent. stock, and in both cases of *difference*, it should be made incumbent on the Treasury and the Court of Chancery, to appoint a proper officer from each, before whom and the Master of the Mint, should be *cancelled*, the amount of standard paper coins, the bankrupt depositor had before been allowed the use of; and the transaction should be published in the following gazette.

Twelfthly, it is proposed that this clause should make mention of the additions, that might be thought

* But an exception might still be made, provided that the other parts of the bankrupt's estate, did produce assets sufficient, to pay this difference to the Crown.

necessary by His Majesty's government, to be made to the Mint and Stamp Offices, in case of adopting the proposed necessary institution, of a paper coin standard of value.

Thirteenthly, some small addition of stamp duty on the standard paper coins, might be here added, if the natural increase of these duties, should not be thought likely to be sufficient, for the payment of any additional expences, to be incurred in consequence of adopting, the above suggestions.

The above clauses it is believed would afford a good foundation, for the drawing up of an Act of Parliament, the necessary accuracy of which, must be best provided for, by the experience of official persons; and there is this recommendation of the plan they disclose:—

That it embraces no *interference* with the renewal of the Bank of England's charter, except simply a few regulations*, that must tend to its Proprietors' greater profit

Nor with the State's continuing to employ that Bank in its treasury business.

* Part of these regulations ought undoubtedly to be,—the putting an end to the closed deposit account,—the prevention of any future accumulation of their capital in gross, without application being first made to Parliament—and therefore, an annual division of the preceding years profits, among the Proprietors, to be made compulsory.

Nor need it interfere with the currency laws of 1819, 1826, ordaining that all private staple notes should in future, be made payable in gold standard money, farther than allowing the suspension of such act, or acts, for one twelvemonth*, and substituting the word standard, for the words *gold standard* in those statutes, afterwards.

Nor need the Act of Parliament interfere, with the present Scotch and Irish currency laws, before the advantages the institution of a mint paper standard, would assuredly give, was first asked for by those parts of His Majesty's subjects, and

On the depositors turning their different species of capital in gross, into that proposed to be made of assay value at the Mint, if it was thought that the purchases of the 3 per cent. stock, out of the current market, would by any possibility, inconveniently diminish the large amounts of that stock for sale, still left, which considering the small comparative amount of the 3 per cent. stock, that would be wanted by the depositors, it is difficult to believe would be the case, but to meet the difficulty, if it was made one, it is proposed, if thought necessary, that the 3 per cent. stock, already purchased, and standing in the names of the Commissioners for paying off the National Debt, should be made use of, when asked for, in the retail quantities wanted, by the country bank coining depositors, at the market price of the day;—

* But this provision may or might not be necessary.

the said Commissioners being directed to facilitate, every such deposit at the Mint, in the foregoing proposed manner, to the extent of their power, and to lay the retail purchase money out the same day, in buying to its amount, some other Government securities, to be placed to the same account, that the 3 per cent. stock so transferred, was deducted from.

If also there should be a sufficient sum of such 3 per cent. stock, standing in the Commissioners' names, the capital of the Bank of England might be invested in the said capital in gross of assay mint quality, for deposit, at the market price of the day, exchanging their present Government securities, for those of the same value in this 3 per cent. stock; or its capital in gross of sixteen millions, might be funded into a new stock, of this description, for the same purpose, in order to allow of the Proprietors, being entitled to receive the use of their three-fourths, of such mint assay capital in gross, in standard paper coins, the same as the other depositors.

In thus considering the disorganized state of our standard money, that so much affects the produce of the public revenue, it is impossible not to feel the imprudence, that must attend any attempt at levying new taxes, and the same reason exists for combating the repeal of any old imposts—as no individual can estimate the effects of either opera-

tion, before our standard money is established on a constitutional footing*.

Supporting the supremacy of the State, and the independence of her subjects, by their Parent, originating her own standard money, by one general universal law, for every part of her subjects, getting rid of the baneful anomaly, to herself and to her people, of a great State, being indebted to a joint stock Company of her subjects, for the purchase of the material, for her gold standard money,—not effected through any exchange by this Company†, of

* It would be far preferable under our present circumstances, whatever the magnitude of the sum wanted for extraordinary expences was, to raise it in any other way, and to charge its payment upon the growing produce of the consolidated fund, that might so fairly be expected to increase, after rendering that justice, due to the Country, of instituting a paper standard of value, as was the case under the *general* law, for organizing our money, in the administrations of Mr. Pitt and Mr. Fox,—the decrease in produce of the taxes, having taken place only, since the return to the *isolated* law of 1694, and 1819. It is not whether the material of our money is of gold. or of paper, that our prosperity is dependent upon, but whether the money itself, is originated by a GENERAL, or by an ISOLATED law—by the STATE, or by a *private* Company of *Merchants*.

† The profits of the Bank of England after the establishment of a mint paper standard coin, on its trade in gold bullion, would probably consist, as with other bankers in purchases of stock, India bonds, &c. for their customers; of a small commission on buying the gold for coinage, to the account of the State, and in the more wholesale free trade, with a commodity without stint, than can possibly take place under that Bank's present circumstances.

commodity for commodity, value for value, as is the case with its Proprietor's fellow coining banking subjects now, and as was so before 1694, with all the State's subjects ;—but effected with its private paper notes, instead of the mint paper coins of the State, that when once instituted, would apply, as a general law, placing all coining bankers, and all parts of the King's subjects, upon the same equitable footing, in commanding the use of money.

Stamping the material at the Mint only, as it suits this Company's interests to send it there, and on every disappearance of the gold, from being left wholly without standard money, having no other alternative, but that of passing a restriction act, and continuing the subjection of the State and her subjects to a mercantile Company, and for the use of the commodity, that is in every country alike, the foundation of the Power of the State, and of the prosperity of the people. It is impossible therefore in this, otherwise so blessed a Country, to look for any relief to the distresses of the people, or to the increase of the revenue of the State, before passing an act, instituting a mint paper standard coin ; which as the unforeseen but calamitous error, committed in 1819 and 1826, was the act of both Whigs and Tories, they will both doubtless now join, in giving their undivided attention to the subject, and assistance to the remedy proposed, if found effective, and prevent it from being brought forward and

established by any other party ;—to theirs and to their Country's most serious disadvantage*.

In conclusion, the Bank of England, as established in 1694, was one of the greatest advantages, in promoting the prosperity of a Country, by the addition of its representative money, to the gold bullion money we before commanded the use of; with the single drawback of the OMISSION, of establishing with its paper money, a mint paper standard coin ;—to continue the supremacy of the State, in her prerogative of organizing our money ; and to continue the uninfluenced value and security of her subject's properties, by others than the State ; for its erection proved the evidence of two important events —first, that we had then arrived to want the use of paper in addition to gold money :—and secondly, that it had become necessary, that the gold standard money, or its gold material which is the same thing, that was in future to support the issue of the Bank of England's paper money, should itself be purchased in future, not with commodity for commodity, value for value, as before 1694—but *thenceforward*, with paper money also, gratis; and

This practice, and exercise of Political power, and whether the exercise of it should still continue to be left with its Directors, or reassumed by the State's instituting a mint standard paper coin ; on which decision,—now hangs the application of the

* It would tend to establish any party in power, that effected its institution.

only effectual remedy,—or the continuation of our pecuniary distresses;—commenced with the Bank's establishment in 1694, and has never been discontinued since; nor could we command the use of the amounts of money that are necessary to our prosperity, if the State did not lend her credit, in some way, or another to effect this advantage for us; as we know by the distresses of the country districts, and by the deficiency of gold standard money there, that at this time exists, where the State now gives no *aid*, in furnishing these coins, although under the general law from 1797 to 1819, it allowed of the paper 20s. notes to be circulated, *ad libitum*, and although she continues her assistance by delegation *, in finding gold sovereigns, *gratis*, for the use of the home district, and

This is the proof and reason, why a paper standard coin should then have been instituted, to buy the gold, instead of its being left to that Banking Company's paper notes to effect the purchase; to prevent the *State's law and credit*, that can alone bring about so important and necessary an event, from ever acting in future, as it does so disastrously at present, to the disadvantage of herself, and to the rest of that Bank's Proprietors, fellow subjects.

For it should always be kept in mind, that it is the *State's law and credit*, and not its own, with which the Bank is permitted to purchase gold free

* The effect of the law's *omission*.

of expence—for dissolve the joint stock Company, and what becomes of the Bank's credit and Political power?—but this Political power was not in 1694, nor is it now, or can it ever be necessary, to be left to the exercise of its Directors, for the Proprietors' profits. On the contrary, it so circumscribed their trade in gold bullion, from the beginning, as it does at present, that the losses of the Proprietors must have been immense, from the great length of time the baneful custom has continued, and by the very same OMISSION, that the State in her revenues, and that their fellow subjects in their prosperity and properties, now suffer so severely from.

Notwithstanding, the establishing of the Bank of England was DIRECTLY, of the greatest use and service to the home district, and COLLATERALLY so to the country districts, not then arrived to want any similar *direct* assistance, the collateral supply being, as much above and in addition to the amounts of money, they before commanded the use of, as was for a long time wanted ; and that this *direct* and *collateral* gift of the State together, laid the foundation of our present welfare, there can be no doubt.

But there was a period to arrive, when the *direct* supply of the use of money by a general law, would become as necessary for these country districts, as it was so, from the beginning, to the London one, and it has been marked by the era of 1797, without the chance of a mistake ;—when Mr. Pitt saw the necessity of establishing one general universal law, for

originating the use of money;—the same general law was acted on by Mr. Fox, during his administration; and all the additions made to our public debt, and those to our public revenue,, were all incurred and made under this general law, that subsisted from 1797 to 1819.

These two statesmen, who could best have estimated the necessity, for the continuance always of the same laws, or at least such, as were not less advantageous, for organizing and originating our money, to discharge pecuniary engagements that had been incurred under them, were too early lost to us!—and the mania of depreciation *hatched* by the political economists, so blinded their successors, that no distinction was thought of, as between a *general* and an *isolated law*,—no inquiry made, after the gold had returned to our standard price, whether, therefore, the standard money about to be made use of, could not as easily, and in the same way, be commanded for the country districts and population, and for the country banks there; as for the home district and population, and for the home coining Bank here,—nor no question asked, whether the establishing of a mint paper coin would not, by the security required to be deposited, for its use, prevent the future possibility of circulating the bad paper money, so properly complained of in the country districts, and be the ready means also, of inducing the subscription and collection, of those additional local amounts of capital in gross, for de-

posit, that must become necessary, after the command was given, to use gold standard money only, instead of private paper 20s. notes, in the same localities.

Not seeing however the necessity for making any of these enquiries, or any respecting the implied guarantee, made by the State's previous general law, in 1798, and the pecuniary engagements that had been made under it,—we returned a second time, in 1826, to be governed by the obsolete and isolated law of 1694,—and with a capital in gross belonging to the Country, estimated for argument in the preceding pages, at only 3000* millions, —to limit the particular *part of it*, out of which we were in future to originate our gold standard money, to an individual sixteen millions, and no more, but belonging to the Proprietors of the Bank of England.

Circumscribing and burdening the Proprietors, without occasion, with great losses in their gold bullion trade; occasioning as already shewn, the deficiencies in the public revenue, and the present poverty of the people, all which inconveniences have taken place, since leaving the political power, of buying gold, with the Bank of England's paper notes, free of expence, again to be exercised by its Directors;—instead of the State instituting her own mint paper coins, for the same important purpose; and now subtracting from, instead of as before

* See note page 34.

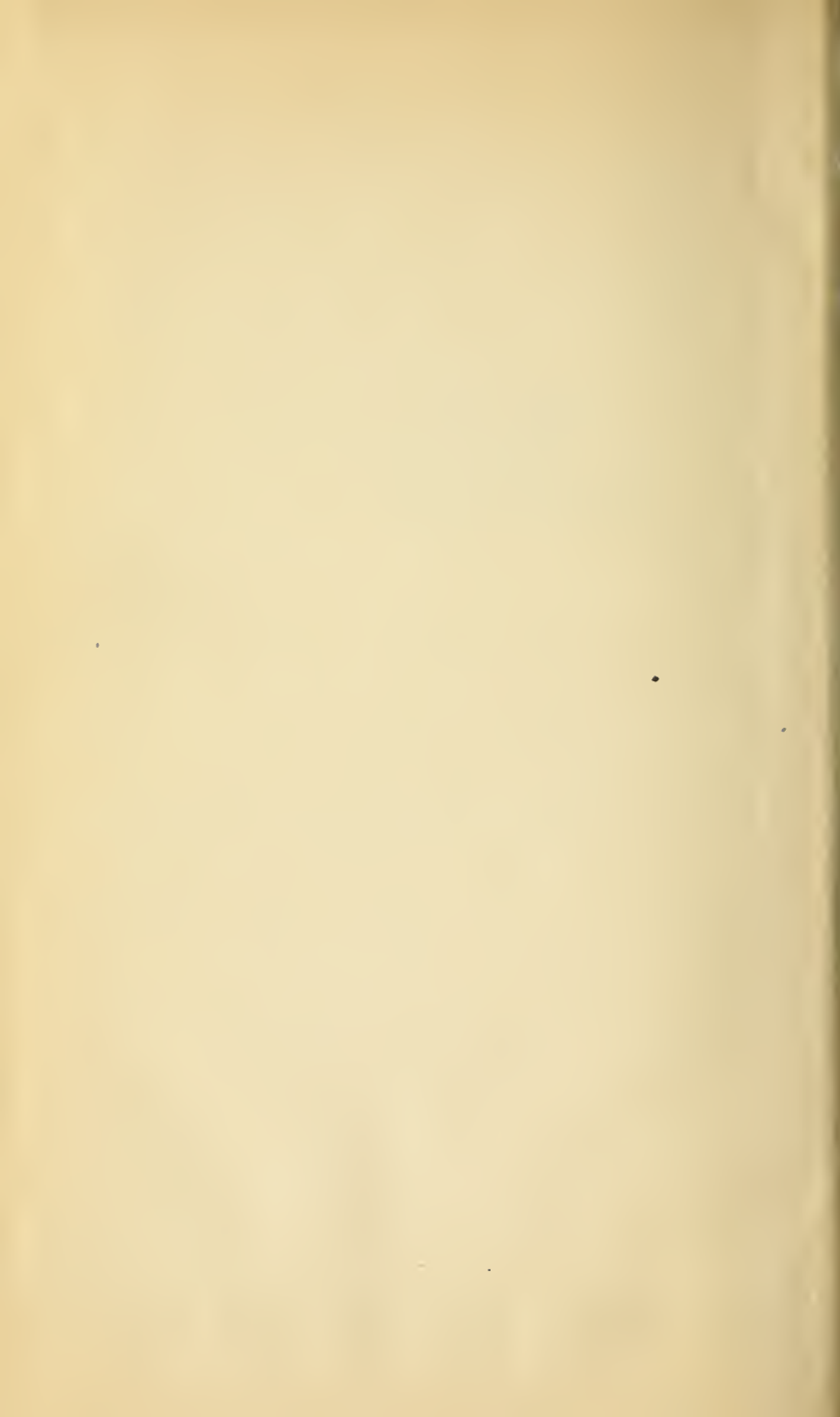
adding to those amounts of money, the *general* law had given the use of to the country districts, by all the wholesale amounts and difference, between what their coining bankers are now able to command,—giving commodity for commodity—value for value—for every gold sovereign they make use of; and the unlimited number of paper 20s. notes, under the general law, that had been found necessary to our prosperity, and had been allowed to be found, gratis;—and in the place of being continued on the same footing, as their fellow subjects, and their fellow coining Bankers were, in Threadneedle Street and the London district, by a similar *general* and *universal* law, that would apply in the same way, giving to all the King's subjects alike, the use of gold money, as before of paper money, when they possessed capital in gross to give, as security for the convenience, and thus re-establishing this particular commodity, our money, that is the *basis* of the State's power, and the people's prosperity, upon a secure, lasting, and constitutional *foundation*.

The reader is here left with this evidence before him, to determine, whether the remedy most wanted for the safety of the State, and for the *protection* of the property of the King's subjects, is not a *general* law, for originating our standard money, and an Imperial, paper, mint, standard coin, to be made auxiliary, as before detailed, to our gold standard money? And whether with the proof before us, of the great losses of wealth sustained, by the State

and by her subjects, since returning to the isolated law of 1694, for organizing our money ; whether the Political power, which it leaves to be exercised by the Directors of the Bank of England, without attributing any blame to them, but the fact being that they do exercise it, the question arises, that as this particular species of political power—the being able to buy gold free of expence—may fairly be claimed, as the property of the collective whole of the State's subjects, and not as of a part only of them ; whether it is not therefore an imperial prerogative, that ought not to be partially delegated ; but that should be exercised only by one *general* universal law, and provided for accordingly, at the same time with the renewal of the Bank of England's Charter ; and in the way proposed, as most influencing the re-establishment of the pecuniary credit, of the STATE OF ENGLAND.

Hampton Court Palace,
6th March 1833.

THE END.





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